GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1937
ANSWERED ON:29.11.2002
DEFAULT IN REPAYMENT OF GOVERNMENT OF INDIA LOANS BY SEBI
SUBODH ROY

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) Whether the SEBI defaulted in repayment of Government loanamounting Rs. 105 crore as pointed out in C&AG Report No. 4 of 2000;

(b) If so, the details of the finding of the formal enquiry ascertaining the reasons for the default ;

(c) Whether any action has been initiated against all the delinquent SEBI officials for the default;

(d) If not, the reasons therefor ;

(e) The details of date-wise break-up of the loan repaid stating the source of funds for repayment ;

(f) The total interest due on entire loan as on date; and

(g) The manner in which the Government proposes to recover the loan with interest thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (ANANDRAO V. ADSUL)

(a) to (d)- Government of India granted interest free loans of Rs.115 crores to SEBI during 1992-93 to 1996-97 to meet its capital expenditure. These loans were to be repaid by SEBI in ten equalinstalments after a moratorium of two years. SEBI repaidRs.10 crores upto March, 1997 and requested to convert the balance outstanding loans into grants. Pending the decision of Government SEBI did not pay the three instalments upto 1999-2000.As the request of SEBI for converting the loans into grant was not agreed to by the Government, SEBI repaid the outstanding instalmentsin February, 2001. CAG in its inspection report has made observation regarding non-payment of these instalments of the loans to the Government. Consequent to the repayment of the outstanding instalments during February, 2001, the observations were dropped.

(e) Repayment	Date of	Amount repaid (Rs. in crores)
30th March	1995	1.00
29th March	1996	3.50
31st March	1997	5.50
02nd February	2001	10.50
08th February	2001	6.00
20th February	2001	15.00
31st March	2001	11.50
31st March	2002	11.50
TOTAL =	64.50	

The loans are repaid out of the income of SEBI.

(f) The loans are interest free

(g) Now SEBI is repaying the loan as per the repayment schedule